

6 unless its existing service facilities are nearer the proposed point of
7 delivery than the service facilities of any other utility. Notwithstand-
8 ing the foregoing provisions of this section, any public utility may
9 extend electric service and transmission lines to its own utility prop-
10 erty and facilities or to another public utility for resale, or in case the
11 public utility closest to or presently serving the delivery point consents
12 thereto in writing or the commission after notice and hearing, and due
13 consideration of the preference of the consumer, finds that service
14 from a utility other than the closest utility is in the public interest.

1 SEC. 25. Nothing herein contained shall be construed to invalidate
2 any proceedings under statutes existing prior to the enactment of this
3 Act; nor shall any action, litigation or appeal pending prior to the
4 effective date of rate regulation of this Act be affected hereby.

1 SEC. 26. Section four hundred seventy-four point one (474.1), Code
2 1962, is hereby repealed and the following is substituted in lieu there-
3 of: "No person in the employ of any common carrier or other public
4 utility, or owning any bonds, stock, or property in any railroad com-
5 pany or other public utility shall be eligible to the office of Iowa state
6 commerce commissioner or secretary of the commission; and the
7 entering into the employ of any common carrier or other public utility
8 or the acquiring of any stock or other interest in any common carrier
9 or other public utility by such commissioner or secretary after his
10 appointment shall disqualify him to hold the office or perform the
11 duties thereof.

1 SEC. 27. No utility shall, except in cases of emergency, discontinue,
2 reduce, or impair service to a community, or a part of a community,
3 except for nonpayment of account or violation of rules and regulations,
4 unless and until there shall have been first obtained from the commis-
5 sion permission to do so.

1 SEC. 28. Nothing contained in this Act shall be construed to require
2 the approval of the commission for the establishment and erection of
3 any generating facilities or the improvement or extension of any exist-
4 ing generating facilities.

Approved April 19, 1963.

CHAPTER 287

BUSINESS CORPORATIONS FOR PROFIT

H. F. 354

AN ACT to amend chapter four hundred ninety-six A (496A), Code 1962, relating to corporations for profit.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred ninety-six A point twenty-six
2 (496A.26), Code 1962, is amended by adding thereto the following:

3 "The board of directors of any corporation may adopt emergency
4 bylaws, subject to repeal or change by action of the shareholders,
5 which shall, notwithstanding any different provision elsewhere in this
6 Act or in the articles of incorporation or bylaws, be operative during
7 any emergency in the conduct of the business of the corporation re-
8 sulting from an attack on the United States or any nuclear or atomic
9 disaster. The emergency bylaws may make any provision that may be
10 practical and necessary for the circumstances of the emergency, in-
11 cluding provisions that:

12 1. A meeting of the board of directors may be called by any officer
13 or director in such manner and under such conditions as shall be pre-
14 scribed in the emergency bylaws;

15 2. The director or directors in attendance at the meeting, or any
16 greater number fixed by the emergency bylaws, shall constitute a
17 quorum; and

18 3. The officers or other persons designated on a list approved by the
19 board of directors before the emergency, all in such order of priority
20 and subject to such conditions and for such period of time (not longer
21 than reasonably necessary after the termination of the emergency) as
22 may be provided in the emergency bylaws or in the resolution approv-
23 ing the list, shall, to the extent required to provide a quorum at any
24 meeting of the board of directors, be deemed directors for such meet-
25 ing.

26 "The board of directors, either before or during any such emergency,
27 may provide, and from time to time modify, lines of succession in the
28 event that during such an emergency any or all officers or agents of the
29 corporation shall for any reason be rendered incapable of discharging
30 their duties.

31 "The board of directors, either before or during any such emergency,
32 may, effective in the emergency, change the head office or designate
33 several alternative head offices or regional offices, or authorize the
34 officers so to do.

35 "To the extent not inconsistent with any emergency bylaws so
36 adopted, the bylaws of the corporation shall remain in effect during
37 any such emergency and upon its termination the emergency bylaws
38 shall cease to be operative.

39 "Unless otherwise provided in emergency bylaws, notice of any
40 meeting of the board of directors during any such emergency may be
41 given only to such of the directors as it may be feasible to reach at
42 the time and by such means as may be feasible at the time, including
43 publication or radio.

44 "To the extent required to constitute a quorum at any meeting of
45 the board of directors during any such emergency, the officers of the
46 corporation who are present shall, unless otherwise provided in emer-
47 gency bylaws, be deemed, in order of rank and within the same rank
48 in order of seniority, directors for such meeting.

49 "No officer, director or employee acting in accordance with any emer-
50 gency bylaws shall be liable except for willful misconduct. No officer,
51 director or employee shall be liable for any action taken by him in good
52 faith in such an emergency in furtherance of the ordinary business
53 affairs of the corporation even though not authorized by the bylaws
54 then in effect."

1 SEC. 2. Section four hundred ninety-six A point thirty-nine
2 (496A.39), Code 1962, is repealed and the following enacted in lieu
3 thereof:

4 "If the articles of incorporation or the bylaws so provide, the board
5 of directors, by resolution adopted by a majority of the full board of
6 directors, may designate from among its members an executive com-
7 mittee and one or more other committees each of which, to the extent
8 provided in such resolution or in the articles of incorporation or the
9 bylaws of the corporation, shall have and may exercise all the author-
10 ity of the board of directors, but no such committee shall have the
11 authority of the board of directors in reference to amending the ar-
12 ticles of incorporation, adopting a plan of merger or consolidation,
13 recommending to the shareholders the sale, lease, exchange or other
14 disposition of all or substantially all the property and assets of the
15 corporation otherwise than in the usual and regular course of its busi-
16 ness, recommending to the shareholders a voluntary dissolution of the
17 corporation or a revocation thereof, or amending the bylaws of the
18 corporation. The designation of any such committee and the delegation
19 thereto of authority shall not operate to relieve the board of directors,
20 or any member thereof, of any responsibility imposed by law."

1 SEC. 3. Section four hundred ninety-six A point fifty-three
2 (496A.53), Code 1962, is amended by striking from line twenty (20)
3 thereof the words "duplicate executed".

1 SEC. 4. Section four hundred ninety-six A point seventy-one
2 (496A.71), Code 1962, is amended by striking from line twenty-five
3 (25) thereof the words "county recorder" and inserting in lieu thereof
4 the following:
5 "recorder of each county in which the registered office of each do-
6 mestic merging or consolidating corporation was located prior to the
7 merger or consolidation and, if the new corporation into which the
8 corporations have consolidated is a domestic corporation, in the office
9 of the recorder of the county in which the registered office of the new
10 corporation is located".

1 SEC. 5. Section four hundred ninety-six A point one hundred
2 twenty (496A.120), Code 1962, is amended by repealing the last sen-
3 tence thereof.

1 SEC. 6. Section four hundred ninety-six A point one hundred
2 twenty-two (496A.122), Code 1962, is amended by striking the first
3 (1st) sentence thereof and by enacting in lieu thereof the following:
4 "Such annual report of a domestic or foreign corporation shall be
5 delivered to the secretary of state for filing in his office between the
6 first day of January and the first day of March of each year, except
7 as otherwise provided in this section. The first annual report of a
8 domestic corporation shall be filed between the first day of January
9 and the first day of March of the year next succeeding the calendar
10 year in which its corporate existence began, except that if such exist-
11 ence began in December of any year, its first annual report shall be
12 filed between the first day of January and the first day of March of the

13 second year succeeding the calendar year in which its corporate exist-
14 ence began. The first annual report of a foreign corporation shall be
15 filed between the first day of January and the first day of March of
16 the year next succeeding the calendar year in which its certificate of
17 authority was issued by the secretary of state except that if such cer-
18 tificate was issued in December of any year, its first annual report
19 shall be filed between the first day of January and the first day of
20 March of the second year succeeding the calendar year in which such
21 certificate was issued by the secretary of state."

1 SEC. 7. Section four hundred ninety-six A point one hundred
2 twenty-seven (496A.127), Code 1962, is amended by striking from line
3 two (2) thereof the word "doing", and by enacting in lieu thereof
4 "having a permit to transact".

1 SEC. 8. Section four hundred ninety-six A point one hundred thirty
2 (496A.130), Code 1962, is amended by placing a period after the word
3 "delinquent" in line five (5) of the second (2d) paragraph thereof, and
4 by striking the remainder of said paragraph.

5 Further amend said section by adding thereto the following:

6 "The secretary of state may cancel the certificate of incorporation of
7 any corporation that fails or refuses to file its annual report for any
8 year prior to the first day of October of the year in which it is due by
9 issuing a certificate of such cancellation at any time after the expira-
10 tion of thirty days following the mailing to the corporation of notice of
11 the certification to the attorney general of the failure of the corpora-
12 tion to file such annual report as required by section four hundred
13 ninety-six A point ninety-two (496A.92) of the Code, provided the
14 corporation has not filed such annual report prior to the issuance of the
15 certificate of cancellation. Upon the issuance of the certificate of can-
16 cellation, the secretary of state shall send the certificate to the cor-
17 poration at its registered office and shall retain a copy thereof in the
18 permanent records of his office.

19 "Upon the issuance of the certificate of cancellation, the corporate
20 existence of the corporation shall terminate, subject to right of re-
21 instatement as herein provided, and the corporation shall cease to carry
22 on its business, except insofar as may be necessary for the winding up
23 thereof or for securing reinstatement and the right of the corporation
24 to the use of its name shall cease and such name shall thereupon be
25 available to any other corporation or foreign corporation or for reser-
26 vation, registration or use as a trade name as provided in this chapter.
27 The cancellation of the certificate of incorporation of a corporation
28 shall not take away or impair any remedy available to or against such
29 corporation, its directors, officers or shareholders for any right or claim
30 existing or any liability incurred prior to such cancellation, but no
31 action or proceeding thereon may be prosecuted by such corporation
32 until it shall have been reinstated. Any such action or proceeding
33 against such corporation may be defended by the corporation, if it has
34 not been reinstated, in its corporate name to which there shall be ap-
35 pended the word "Cancelled" followed by the date of the issuance of
36 the certificate of cancellation. Unless the corporation is reinstated, the
37 corporation, upon the issuance of the certificate of cancellation, shall

38 proceed to liquidate its business and affairs as provided by this chap-
39 ter in cases of dissolution by consent of shareholders or by act of the
40 corporation, provided, however, that the district court in a suit in
41 equity shall have full power to liquidate the assets and business of
42 such a corporation upon application by such corporation or in a suit by
43 a shareholder or creditor of such corporation when such corporation
44 fails to proceed promptly with such liquidation or to make application
45 to the court therefor. A copy of the certificate of cancellation, certified
46 by the secretary of state, shall be taken and received in all courts as
47 prima-facie evidence of the cancellation of the certificate of incorpora-
48 tion as stated therein.

49 "If the certificate of incorporation of a corporation has been can-
50 celled by the secretary of state as provided in this section for failure
51 to file an annual report, such corporation shall be reinstated by the
52 secretary of state at any time within five years following the date of
53 the issuance by the secretary of state of the certificate of cancellation
54 upon:

55 1. The delivery by the corporation to the secretary of state for filing
56 in his office of an application for reinstatement, executed by its presi-
57 dent or vice-president and by its secretary or an assistant secretary
58 and verified by one of the officers signing such application, which shall
59 set forth:

60 a. The date of the issuance by the secretary of state of the certifi-
61 cate of cancellation;

62 b. The name of the corporation at the time of the issuance of the
63 certificate of cancellation and, if, at the time of the filing of the appli-
64 cation for reinstatement, another corporation or foreign corporation is
65 entitled to use such name or such name is then reserved or registered
66 as provided in this chapter, the name of the corporation as changed,
67 which shall be a name then available under the laws of this state; and

68 c. The address, including street and number, if any, of the registered
69 office of the corporation upon the reinstatement thereof, which shall be
70 located in the same county as the county in which the registered office
71 of the corporation was located at the time of the issuance of the cer-
72 tificate of cancellation, and the name of its registered agent or agents
73 at such address upon the reinstatement of the corporation;

74 2. The filing with the secretary of state by the corporation of all
75 annual reports then due and theretofore becoming due;

76 3. The payment to the secretary of state by the corporation of all
77 annual license fees and penalties then due and theretofore becoming
78 due and an additional penalty of one hundred dollars (\$100).

79 "The secretary of state, upon filing the application for reinstate-
80 ment, shall issue a certificate of reinstatement and file and record the
81 same in his office and, if the application for reinstatement shall set
82 forth a change in the name of the corporation, as required by this
83 section, the same shall constitute an amendment to the articles of in-
84 corporation of the corporation and the certificate of reinstatement
85 shall set forth such fact and shall be filed and recorded in the office of
86 the county recorder. Upon the issuance of the certificate of reinstate-
87 ment, the corporation shall be entitled to continue to act as a corpora-
88 tion for the unexpired portion of its corporate period as fixed by its
89 articles of incorporation, provided, however, that the corporation shall

90 not be entitled to use the name of the corporation at the time of the
 91 issuance of the certificate of cancellation if another corporation or
 92 foreign corporation is entitled to use such name or such name is then
 93 reserved or registered as provided in this chapter."

1 SEC. 9. Section four hundred ninety-six A point one hundred
 2 forty-two (496A.142), Code 1962, subsection eleven (11) is repealed
 3 and the following enacted in lieu thereof:

4 "If any corporation, organized under the provisions of chapter four
 5 hundred ninety-one (491) of the Code and existing for a period of
 6 years, shall elect to adopt the provisions of this chapter and shall at
 7 the same time or thereafter amend its articles of incorporation to
 8 extend its period of duration, then upon the amendment becoming
 9 effective, the shares voted against the amendment shall be purchased
 10 in accordance with the following provisions:

11 a. The purchase shall be made by the corporation, if the resolution
 12 setting forth the amendment provides for the purchase by the corpora-
 13 tion; if the resolution does not so provide, the purchase shall be made
 14 by the holders of the shares voted for the amendment.

15 b. The purchase price shall be the real value of the shares, as of the
 16 day on which the vote was taken approving the amendment.

17 c. The purchase price, together with interest thereon at five (5)
 18 percent per annum from the effective date of the amendment, shall be
 19 paid within three years from such date.

20 d. This subsection shall not apply to any subsequent amendment to
 21 the articles of incorporation further extending the period of duration
 22 of said corporation."

Approved April 5, 1963.

CHAPTER 288

ANNUAL LICENSE FEE OF CORPORATIONS

H. F. 231

AN ACT relating to annual license fees of domestic and foreign corporations.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred ninety-six A point one hundred
 2 twenty-six (496A.126), Code 1962, is hereby amended by adding there-
 3 to the following paragraph:

4 "Provided, that a domestic corporation having no stated capital, or
 5 a foreign corporation having no stated capital and/or no property in
 6 Iowa, shall pay an annual license fee of five dollars (\$5.00)."

1 SEC. 2. This Act shall be effective as to all annual license fees due
 2 and payable on or after January 1, 1963.

1 SEC. 3. This Act, being deemed of immediate importance, shall
 2 take effect and be in force from and after its publication in The At-